

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

CHILE

A SAFER CHILE PROGRAM

INNOVATION LOAN

(CH-0178)

LOAN PROPOSAL

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BASIC SOCIOECONOMIC DATA

For basic socioeconomic data, including public debt information, please refer to the following address:

<http://www.iadb.org/RES/index.cfm?fuseaction=externallinks.countrydata>

INFORMATION AVAILABLE IN SPANISH IN THE RE1 TECHNICAL FILES

Preparation:

Study of international experience in violence prevention
Evaluation of actions in La Legua and La Victoria
Study for identification of public and private services
Typology of vulnerable neighborhoods
Communication strategy in vulnerable neighborhoods
Design of the intervention model for vulnerable neighborhoods
Systematization of citizen security policy
Communication strategy for citizen security

Execution:

Operating Regulations

ABBREVIATIONS

AOPs	Annual Operating Plans
CED	Centro de Estudios del Desarrollo [Center for Development Studies]
CESI	Committee on Environment and Social Impact
CISC	Comité Interministerial de Seguridad Ciudadana [Interministerial Committee for Citizen security]
CONACE	Consejo Nacional de Control de Estupefacientes [National Drug Control Council]
DESUC	School of Sociology, Catholic University
DSC	División de Seguridad Ciudadana [Citizen Security Division]
GDP	Gross domestic product
GIS	Geographic information system
ICPC	International Centre for the Prevention of Crime
IDB	Inter-American Development Bank
MINEDUC	Ministry of Education
MTN	Mesa Técnica Nacional [National Technical Office]
MTR	Mesas Técnicas Regionales [Regional Technical Offices]
NGO	Nongovernmental organization
OC	Ordinary Capital
OR	Operating Regulations
PTI	Poverty-targeted investment
PPR	Penal Procedure Reform
SENAME	Servicio Nacional del Menor [National Minors' Service]
SERNAM	Servicio Nacional de la Mujer [National Women's Service]
FTA	Free Trade Agreement
SAU	Strategic advisory unit
PEU	Program execution unit
UNDP	United Nations Development Programme
VAT	Value added tax



CHILE

IDB LOANS

APPROVED AS OF SEPTEMBER 30, 2003

	US\$Thousand	Percent
TOTAL APPROVED	4,999,169	
DISBURSED	4,608,525	92.18 %
UNDISBURSED BALANCE	390,644	7.81 %
CANCELATIONS	905,490	18.11 %
PRINCIPAL COLLECTED	3,999,199	79.99 %
APPROVED BY FUND		
ORDINARY CAPITAL	4,752,975	95.07 %
FUND FOR SPECIAL OPERATIONS	203,336	4.06 %
OTHER FUNDS	42,858	0.85 %
OUTSTANDING DEBT BALANCE	609,326	
ORDINARY CAPITAL	603,454	99.03 %
FUND FOR SPECIAL OPERATIONS	4,856	0.79 %
OTHER FUNDS	1,017	0.16 %
APPROVED BY SECTOR		
AGRICULTURE AND FISHERY	787,153	15.74 %
INDUSTRY, TOURISM, SCIENCE AND TECHNOLOGY	866,348	17.32 %
ENERGY	1,104,824	22.10 %
TRANSPORTATION AND COMMUNICATIONS	589,038	11.78 %
EDUCATION	41,011	0.82 %
HEALTH AND SANITATION	369,752	7.39 %
ENVIRONMENT	2,719	0.05 %
URBAN DEVELOPMENT	511,944	10.24 %
SOCIAL INVESTMENT AND MICROENTERPRISE	113,485	2.27 %
REFORM AND PUBLIC SECTOR MODERNIZATION	356,080	7.12 %
EXPORT FINANCING	3,857	0.07 %
PREINVESTMENT AND OTHER	252,958	5.05 %

* Net of cancellations with monetary adjustments and export financing loan collections.



CHILE

STATUS OF LOANS IN EXECUTION AS OF SEPTEMBER 30, 2003

(Amount in US\$ thousands)

APPROVAL PERIOD	NUMBER OF PROYECTS	AMOUNT APPROVED*	AMOUNT DISBURSED	% DISBURSED
<u>REGULAR PROGRAM</u>				
1999 - 2000	4	509,294	212,823	41.79 %
2001 - 2002	2	49,800	4,530	9.10 %
2003	1	40,000	0	0.00 %
<u>PRIVATE SECTOR</u>				
2001 - 2002	1	25,000	20,763	83.05 %
TOTAL	8	\$624,094	\$238,116	38.15 %

* Net of cancellations. Excludes export financing loans.



Inter-American Development Bank
Regional Operations Support Office
Operational Information Unit

Chile

Tentative Lending Program

2003

Project Number	Project Name	IDB US\$ Millions	Status
* CH0179	Costanera Norte Highway System	75.0	APPROVED
CH0174	Rural Electrification Program	40.0	APPROVED
CH0178	Chile + Seguro Program	10.0	
* CH0171	Antofagasta Desalinization Project	7.5	
CH0172	Community Based Tourism Development- Chiloe and Palena	10.5	
Total - A : 5 Projects		143.0	
TOTAL 2003 : 5 Projects		143.0	

2004

Project Number	Project Name	IDB US\$ Millions	Status
CH0175	Modernization of Public Real Estate Management	80.0	
CH1001	Strengthening of Digital Strategy in Chile	15.9	
* CH1003	Ruta 60 toll road	70.0	
Total - A : 3 Projects		165.9	
TOTAL - 2004 : 3 Projects		165.9	
Total Private Sector 2003 - 2004		152.5	
Total Regular Program 2003 - 2004		156.4	

* Private Sector Project

A SAFER CHILE PROGRAM INNOVATION LOAN

(CH-0178)

EXECUTIVE SUMMARY

Borrower and guarantor:	Republic of Chile	
Executing agency:	Ministry of the Interior	
Amount and source:	IDB: (OC)	US\$10,000,000
	Local:	US\$ 6,630,000
	Total:	US\$16,630,000
Financial terms and conditions:	Amortization period:	20 years
	Grace period:	3 years
	Disbursement period:	36 months
	Interest rate:	variable
	Inspection and supervision:	1%
	Credit fee:	0.75%
	Currency:	Resources from the Single Currency Facility of the Ordinary Capital in U.S. dollars.
Objectives:	The program's general objective is to contribute to a reduction in violence and crimes, as well as the insecurity associated therewith, in selected municipalities and in neighborhoods in Chile's metropolitan, fifth, eighth, and ninth regions, which are affected by drug trafficking and organized crime.	
Description:	Four subprograms have been designed to meet the objective:	
	Subprogram 1. Strengthening of the citizen security policy (US\$1,859,000)	
	This subprogram's objective is to strengthen the Subsecretariat of the Interior and at the central and regional levels its Citizen Security Division for implementation of the Chilean government's Citizen Security Policy.	

The subprogram has three components: (a) strategic and intersectoral development; (b) development of the public affairs strategy; and (c) development of the monitoring and evaluation system.

Subprogram 2. Safe municipality (US\$7,270,000)

The objective of this subprogram is to contribute to a reduction of violence and insecurity in 76 municipalities in Chile.

The subprogram has two components: (a) establishment and strengthening of local capacity; and (b) pilot multisectoral models for social prevention.

Subprogram 3. Safe Neighborhood (US\$3,854,000)

This subprogram's objective is to contribute to a reduction of violence and fear in 12 neighborhoods in the metropolitan, fifth, eighth, and ninth regions where areas are actively controlled by groups linked to drug trafficking and organized crime, which adversely affect security and harmonious coexistence in those communities.

The subprogram has four components: (a) community mobilization; (b) prevention for at-risk groups; (c) social integration of persons in trouble with the law; and (d) access to justice.

Subprogram 4. Strengthening of Carabinero-community integration (US\$2,152,000)

This subprogram's objective is to develop police practices that strengthen the relationship between the Carabineros [Chilean Police Force] and the community and make it possible for safety problems affecting the population to be addressed jointly and collaboratively.

The subprogram has three components: (a) pilot models for community policing; (b) improvement of police performance; and (c) showcase of good police practices.

The Bank's country and sector strategy:

The Bank's strategy in Chile in the social sphere seeks to improve the efficiency and management of regional social investment, enhance quality of life, reduce poverty, and increase social and regional equity, with emphasis on attention to at-risk groups. The strategy also gives priority to actions that promote greater citizen participation in the implementation of social policies and build stronger alliances between the State, civil society, and the private sector in the delivery of services. Given the multisectoral nature of possible interventions and the need to strengthen dialogue and coordination among various government agencies, the strategy identifies the area of citizen

security as being of interest to the Bank in Chile. This loan is consistent with this strategy, since its purpose is to increase security and reduce the population's fear, aspects that have a direct impact on their quality of life. The loan includes actions targeted at vulnerable groups as well as interventions that will increase municipal government participation and strengthen partnerships among public institutions, the private sector, and civil society.

**Coordination
with other
official
development
institutions:**

The Ministry of the Interior coordinates activities with the International Centre for the Prevention of Crime (ICPC) of Canada, the Habitat Program, and the United Nations Office of Crime Prevention. Some activities under the loan have been designed taking into account the general guidelines of these organizations, specifically Habitat's Safer Cities Program. During execution of the program, actions will be coordinated with the ICPC, especially those involving training of Chilean Police Force officers and the design of a model for community policing (See paragraph 1.27).

**Environmental
and social
review:**

The Committee on Environment and Social Impact (CESI) reviewed Profile I of this loan at its meeting CESI 34-02, on 13 September 2002, and decided that no special social and environmental actions were needed.

Benefits:

The program will leave an installed capacity at the national, regional, and municipal levels to design policies and strategies for citizen security, citizen participation and information systems from an intersectoral and cross-disciplinary perspective and an approach of joint responsibility for security. This will facilitate tighter control of crime and empower the community to reduce crime and fear. Program execution will stimulate the development of new mechanisms to encourage community members to participate in the projects executed, thereby strengthening the role of the organized community and its leaders, making the actions more relevant and more effectively resolving citizen security problems.

Risks:

The impact and sustainability of the program's objectives require the achievement of permanent coordination and linkage of the efforts of public and private institutions involved in violence prevention. Specifically, if the program's actions do not achieve the necessary cross-sectoral and comprehensive dimension, there is a serious risk that their impact will be reduced. To mitigate this risk there will be interagency coordination from the highest political level (interministerial committee) to the most operational level (neighborhood offices), and the Ministry of the Interior will develop the capacity—currently lacking—to strengthen coordination activities.

Special contractual clauses:	Before the first disbursement, the executing agency will submit to the Bank's satisfaction the approved Operating Regulations of the program (see paragraph 3.40).
Poverty-targeting and social sector classification:	This operation qualifies as a social equity enhancing project, as described in the indicative targets mandated by the Bank's Eighth Replenishment (document AB-1704). See paragraph 2.64.
Exceptions to Bank policy:	See procurement below.
Procurement:	<p>Procurement of goods and services financed with the loan's resources will be subject to the Bank's current restrictions and procedures, which will be part of the loan contract. The procurement of goods for amounts of US\$350,000 or greater and contracts for consulting services costing more than US\$200,000 will be done through international competitive bidding. Price will be the criterion for selection of service providers, pursuant to the provisions of document GN-1679-3. When making the selection based on technical merit and price, the relative weight of the price factor will not exceed 20%. In order to expedite program execution, the Bank will do an ex post evaluation of procurement of goods and contracting for works involving amounts below US\$350,000, the hiring of individual consultants for amounts below US\$50,000, and the hiring of consulting firms for amounts below \$100,000 (see paragraph 3.45).</p> <p>As an exception to the Bank's procedures, it is recommended that five individual consultants be hired to work in the Citizen Security Division. This exception is requested because of the technical and operational advantages indicated in paragraph 3.46 of this document.</p>

I. FRAME OF REFERENCE

A. Economic situation of the country

- 1.1 Despite the adverse conditions during the year in the international environment, in 2002 Chile managed to maintain a stable economy which, unlike other countries in the region, grew by 2.1%. In 2003, the Chilean economy is growing at a rate close to 3%, owing to increased exports and domestic consumption, resulting in growth in employment. In 2003 tax reform was implemented to improve the fiscal situation, which increased the value added tax (VAT) from 18% to 19% and reduced public spending. Domestic demand has thus far compensated for the poor performance of investment, influenced by the regional crisis, uncertainty with regard to ratification of the Free Trade Agreement (FTA) with the United States, and the fiscal decisions required by that agreement. With Brazil and Argentina in the process of recovery, and with the issues concerning the FTA favorably resolved, the rate of investment is expected to pick up toward the end of 2003.
- 1.2 Employment grew by 3.9% in the last 12 months, and in 2003 it reached its highest level since 1997. The government continues making reforms to improve the competitiveness of the Chilean economy and recently sent Congress a second for capital market reform. Growth in gross domestic product (GDP) in 2003 will be on the order of 3% to 3.5%, and if current trends hold, in 2004 there would be growth of 4% to 5%. Recovery of copper prices and continued growth of nontraditional exports should produce a trade surplus and a fiscal deficit equal to 0.7% of GDP. It is anticipated that inflation will be 3% at the end of 2003, the exchange rate will remain stable for the rest of the year, and 160,000 new jobs will be created in the second half of 2003, which would reduce the unemployment rate to 7.7% at year's end (compared with 7.8% in 2002).

B. Violence, fear and insecurity in Chile

- 1.3 Chile has relatively lower levels of violence and crime than most other countries in the region, or even in many other countries in the world.¹ Despite these lower levels of violence and crime, there are two worrisome trends. First, in the last two years there has been an increase in crimes and criminal activity associated with drug trafficking. Second, fear, the perceived lack of security, and citizen concern about crime is very high. At the national level the annual rate of reports of robbery with violence increased between 1997 and 2002, from 72.5 to 250.6 cases per 100,000 persons (233%). During the same period the annual rate of reports of assault and battery increased from 267 to 424 cases (58.9%), while domestic violence increased from 281 to 433 cases per 100,000 persons (54%). In the metropolitan region the

¹ The percentage of the population who became victims of ordinary crimes between 1996 and 1999 was 51.4% in Chile, compared with 65% in Australia, the United States, New Zealand, and Canada, and 77% in Latin America. O. Hatalak, A. Alvazzi del Frate and U. Zvekic (editors.) *The International Crime Victim Survey in countries in transition: National Reports*. Unicri publication No. 62, Rome 2000.

rate of reported cases of robbery with violence increased from 57.6 in the first quarter of 1999 to 151.44 in the second quarter of 2003 (162%).²

- 1.4 Since the start of the 1990s Chile has faced the phenomenon of territorial control by groups linked to drug trafficking and organized crime in low-income neighborhoods and high levels of unemployment and downtime, especially among youth. The precarious nature of the living conditions in these neighborhoods is also reflected in the quality of their housing, which generally consists of social housing or self-help housing that is small and overcrowded, and public areas with little access from outside the community, with narrow unlit passageways, vacant lots, trash heaps, and a sprinkling of rundown recreation areas that drug traffickers have turned into places for buying and using drugs.
- 1.5 There are two effects of drug trafficking operations in these neighborhoods, which elicit contradictory behavior on the part of the residents. On one hand, there is a pronounced influence on the local economy, through which the residents are directly or indirectly involved, creating links of dependence and protection. In some cases they are given jobs, in others they are threatened and intimidated. Violent practices are deployed, taking the form—in the extreme—of armed confrontations between gangs at any hour of the day. Verbal and physical violence against uninvolved residents and reprisals against those who dare to challenge the drug traffickers are common practices. The presence of these groups has weakened the social fabric and the organizational and response capacity of the residents. They feel they have lost control over events and perceive that there is no concern or support from public institutions, the presence of which is generally limited or nonexistent. In addition, the residents of these neighborhoods have traditionally mistrusted and had tense relations with police and judicial institutions, which they feel are inefficient and act in a discriminatory manner. In some cases they even accuse these institutions of corruption. The alienation of the residents is reinforced by the fact that they are stigmatized. Chilean institutions and society tend to stereotype all residents of these neighborhoods as criminals and drug traffickers, restricting their access to jobs and services that would support their social mainstreaming.³
- 1.6 On the issues of perception of fear and concern over crime, in 2001 between 55.7% and 60.6% of the population of the metropolitan region said they were somewhat afraid, and very afraid to go downtown, ride a bus, and go out in the neighborhood at night. In the other regions of the country, these rates varied from 39.4% to 56.1%.⁴ A national study of citizen security⁵ done in the context of preparing this

² Source: Ministry of the Interior, Citizen Security Division. 2002 report.

³ Development Advisory Services and Center for Development Studies (CED), Evaluation of actions in La Legua and La Victoria and typology of vulnerable neighborhoods.

⁴ Source: Ministry of the Interior, Metropolitan Region Survey 2002.

loan found that—aside from the figures, which have indeed been rising—crime is seen as an increasing problem and as a topic that generates insecurity and pessimism.⁶ It is believed that crime has undergone a qualitative change, such that today's criminals are perceived as younger and better organized, and the crimes are more violent, with greater use of firearms.⁷ Generally, groups from different social strata think that in the last decade Chile's cities have experienced a change for the worse.⁸

- 1.7 The studies cited also reveal that citizens do not see a satisfactory response from the government. The low-income population and the young are the social groups with the worst image of the Carabineros and the justice system. Those polled said they do not know of the Comuna and Barrio Seguro [Safe Municipality and Neighborhood] Programs and know little about the Preventive Security Quadrants Plan.⁹ Although citizens are skeptical and think the government has the primary responsibility for providing security, they are willing to organize and develop opportunities for participation and integration because they realize that the safety issue involves them all. Finally, most of them feel the media exaggerate and are sensationalist and morbid in their news coverage of crime. Recognizing the important role of the media, they think that they should work more seriously and objectively to carry out their mission of monitoring and follow-up.
- 1.8 Lastly, people assign great importance to citizen security. National surveys in the metropolitan region and remote regions of the country, carried out by the Ministry of the Interior and other private agencies, indicate that since the 1990s security has always been among Chileans' top three concerns (40%). Other institutions such as the United Nations Development Programme (UNDP) have found that people perceive citizen security as a need that affects their daily life.

C. Government measures for citizen security

- 1.9 The Ministry of the Interior is the Chilean government agency responsible for citizen security and decentralization. In the area of citizen security, the Ministry has the authority to propose reforms in the judicial system and police functions, coordinate the country's institutions related to citizen security, and carry out the national citizen security policy. In performing these functions the Ministry of the Interior, in cooperation with other Chilean ministries and institutions, has taken important steps to respond to the problem of increased violence and fear. The most significant are the Penal Procedure Reform (PPR), police modernization, and

⁵ Study of DESUC/Tironi Associates, National Study of Citizen Security, 2003.

⁶ Catholic University, DESUC Study, March 2003.

⁷ Ministry of the Interior, Citizen Security Division, Profile of Crime in Chile, 1999-2002.

⁸ Surveys of the Fundación Ciudadana, series 1998-2003, and Estudio Fundación Futuro 2003.

⁹ Government programs described in paragraph 1.11.

programs for the prevention and control of violence and drug consumption in municipalities and precincts throughout the country and neighborhoods in the metropolitan region.

- 1.10 The Penal Procedure Reform—begun in 2001—is being phased in throughout the country.¹⁰ The PPR is overcoming many of the obstacles that hamper the effectiveness of justice through the separation of the investigative and trial functions, establishing oral proceedings, representation of victims by prosecutors from the Ministerio Público [prosecutorial agency], and other measures intended to achieve more agile and transparent criminal proceedings. In the current system, on average it takes one to three years to decide a case. With the reform, cases can be decided in six months. The system also provides for more rapid sentencing of criminals and guarantees for victims.
- 1.11 The Chilean police consists of two branches: the Policía de Investigaciones [investigative and detective police] and the Carabineros de Chile [Chilean Police Force]. The investigative police is a civil corps responsible for investigating crime. Carabineros de Chile is a technical and military police institution that is administratively attached to the Ministry of Defense and operationally attached to the Ministry of the Interior. Carabineros is responsible for guaranteeing and maintaining order and public safety outside the Chilean capital. Since 2001 Carabineros is undergoing a process of modernization aimed at improving its conduct and effectiveness through closer ties with the community. The most important initiative in this process is the Quadrant Policing Plan [Plan de Vigilancia por Cuadrantes], which consists of preventive police patrols and coordinated response with the community in 251 blocks of the metropolitan region. Carabineros is a police force with a national and international reputation for order, efficiency, and honesty, but this image has been tarnished by its performance during the years of the authoritarian government and, as noted above, by the negative perception held of it among Chile's low-income sectors and youth.
- 1.12 The most important government programs and institutions for prevention and control of violence and drug consumption are: the Safe Municipality Program—Commitment 100, the Safe Neighborhood Program, and the National Drug Control Council (CONACE), all of which are under the Ministry of the Interior.
- 1.13 The Safe Municipality Program encourages the promotion and prevention of violence in municipalities with more than 70,000 inhabitants, through the organization of Citizen security Councils headed by the mayor. Public institutions (Ministries of Education and Health, National Women's Service, and others), Carabineros de Chile, prosecutors from the Ministerio Público, and community organizations are represented on these councils which, supported by a technical

¹⁰ The reform has been implemented in eight regions of the country, and will be extended to four others by the end of 2003. It will be in place in the metropolitan region by December 2004.

secretary, prepare municipal studies of citizen security, approve citizen security plans, and fund projects to meet the priorities set in the plans. The projects are planned and executed by municipal organizations and groups of residents and financed by competitive grants. The program started in 2001 and has gradually spread to 40 municipalities throughout the country.¹¹

- 1.14 The objective of the Safe Neighborhood Program is to reduce territorial control by drug trafficking in specific urban areas through community strengthening and situational and social prevention actions. The program started in 2001 in La Legua Emergencia neighborhood of the metropolitan region, and during 2003 was extended to three other neighborhoods, with financing by the Subsecretariat of the Interior, other public sector institutions, and technical cooperation ATN/JO-8073-CH financed by the Japan Special Fund, which supported the preparation of this loan.
- 1.15 CONACE is a council comprised of 14 state institutions. Its objective is to implement public policies on the drug problem and prevent consumption and trafficking in illegal substances in the country. CONACE was established in 1990 and since 1993 has been implementing the National Plan for Drug Prevention and Control, the goals of which are to reduce annual consumption of marijuana, cocaine, and cocaine sulfate, the production and availability of illegal drugs, and the illegal use of precursor chemicals. CONACE implements the PREVIENE Program in 88 municipalities in the country, to assess the extent of the problem in the municipality and involves schools, health centers, family groups, community organizations and sector institutions in drug consumption and trafficking prevention activities.
- 1.16 The Ministry of the Interior's authority to coordinate organizations involved in citizen security has been recently ratified by a supreme decree that establishes the Interministerial Committee on Citizen Security, chaired by the Minister of the Interior. The Committee's function is to evaluate compliance with the duties assigned in the area of citizen security to institutions and units responsible to the Ministries of Interior, Defense, Finance, Planning and Cooperation, Education, Justice, Health, and Housing and Urban Development.

D. Citizen Security Policy

- 1.17 In 2003 the Ministry of the Interior formulated a Citizen Security Policy proposal for more effective guidance of the country's initiatives in this area. The policy has the following strategies: (i) crime control; (ii) prevention of entry into a career of crime; (iii) interruption of criminal careers; (iv) development of strong communities; and (v) a lessening of fear. Their overall criteria are intersectoral

¹¹ Currently Safe Municipality covers 40% of the country's total population and 60% of the municipalities with more than 70,000 inhabitants.

coordination and citizen participation, and their priorities include crime prevention among families with children under 12 years of age, youth aged 12 to 15 who are in trouble with the law, and families experiencing domestic violence.

- 1.18 Policy objectives for the next three years (2004-2006) include: (i) disseminate the policy; (ii) stress the prevention concept and initiatives for crime control; (iii) forge a strategic alliance with the police; and (iv) carry out the Safer Chile Agenda, which includes measures in the areas of police, crime prevention, legislation, and coordination with other sectors.
- 1.19 With respect to the police, the short and medium-term goals of the agenda are: (i) to increase the number of Carabineros and detectives of the Investigative Police; (ii) to expand the Quadrant Policing Plan to five of the country's cities; and (iii) to improve police presence to reduce crime, perfect the community integration model, and improve relations with low-income sectors. In the area of prevention, the agenda calls for expanding the Safe Municipality and Safe Neighborhood Programs. Legislative measures include adoption of the Juvenile Criminal Liability and Gun Control Laws, and amendments to the Domestic Violence Law. The measures for intersectoral coordination are to strengthen the operation of the Interministerial Committee on Citizen Security, and the organization of other operational levels for coordination with social sector organizations at the national, regional, and municipal levels.
- 1.20 The programs and initiatives initiated by the Ministry of the Interior have accomplished a great deal already, but further development is needed of actions to strengthen the institutional capability to consolidate, deepen, and cooperate with other population sectors on the strategic lines of the Citizen Security Policy, incorporate citizen security into the programs of other social sector institutions, strengthen the ability of regions, municipalities, and community organizations to implement local strategies for citizen security, and experiment with pilot projects to improve the effectiveness of preventive actions at the municipal and neighborhood levels and in police-community relations.
- 1.21 Since September 2002 the Bank has assisted the Ministry of the Interior with a series of initiatives to strengthen the government's operations in the area of citizen security. Resources from the aforementioned Japan Special Fund, a technical-cooperation operation (ATN/JO-8073-CH) have funded studies and consulting services to process a proposal on a citizen security policy, a media strategy, a model of pilot activities in poor neighborhoods impacted by drug trafficking, and other studies that have tapped successful international experience in violence prevention. These studies and consulting services, and the pilot projects in three poor Santiago neighborhoods, have provided invaluable input for the preparation of this program. The cooperation and additional resources from the Bank and the Ministry of the Interior have also begun institutional strengthening of the Citizen Security Division

of the Ministry of the Interior, which has included study tours to countries in the region and cities in the United States, and advanced training of their staff.

- 1.22 With the Safer Chile Program, the Bank will extend its support of the Ministry of the Interior to carry out activities during the 2003-2006 period. The lessons learned in the pilot initiatives and experiences that this loan will help the government with future decision-making with regard to expanding the program to additional municipalities, neighborhoods, and precincts in Chile.

E. The Bank's strategy in the country

- 1.23 The Bank's strategy in Chile in the social sphere seeks to improve the efficiency and management of regional social investment, improve the quality of life, reduce poverty, and increase social and regional equity, with emphasis on attention to at-risk groups. The strategy also gives priority to actions that promote greater citizen participation in the execution of social policies and strengthen partnerships between the State, civil society, and the private sector in the delivery of services. Furthermore, given the multisectoral nature of possible interventions and the need to strengthen dialogue and coordination among various government agencies, the strategy identifies the specific area of citizen security as being of interest to the Bank in Chile. This loan is consistent with this strategy, since its objective is to increase the population's security and fear, factors that have a direct impact on their quality of life. The loan also includes actions targeted at vulnerable groups and interventions that will increase municipal governments' participation and strengthen coordination among public institutions, the private sector, and civil society.
- 1.24 The country's interest in the Bank's support stems from its experience and lessons learned in the design and execution of violence prevention loans in other countries in the region. These experiences include the Programs of Peaceful Coexistence and Citizen Security in Colombia (PR-2274) and the Program for Citizen security: Crime and Violence Prevention in Uruguay (PR-2279). The lessons learned from these operations include: advantages of preventive approaches over approaches based on rehabilitation and repression, the importance of strengthening social capital in the communities, and the need to include actions for reintegration of children and youth in the family and community, to strengthen institutional networks, and to organize comprehensive intervention actions. Furthermore, the program will draw on experiences in Latin America and other regions of the world in the areas of community police and comprehensive approaches to violence prevention in poor neighborhoods affected by the presence of drug trafficking.¹²

¹² These experiences have been identified in a study of international experiences funded by the technical-cooperation operation that supported the preparation of the loan.

- 1.25 The activities proposed for the loan are consistent with the Bank's preliminary guidelines for the Design of Violence Reduction Projects, which state that the loans must support initiatives that emphasize prevention and encourage a partnership between government and civil society. At the same time, the design will take into account recommendations to guarantee that the interventions include multiple sectors, respond to specific local conditions, incorporate a results and impact evaluation component, and include resources to strengthen police-community relations and cooperation in a framework of respect for human rights. However, the Preliminary Guidelines do not include recommendations on how to deal with neighborhoods affected by drug trafficking, since this is a new phenomenon for the Bank and the region. Accordingly, the experience gained through this program will be an important input for improving the Preliminary Guidelines.

F. Elements of innovation and learning

- 1.26 This is an innovative project for several reasons, in particular because:
- a. It supports the development and execution of a Citizen Security Policy based on a concept of collective responsibility for security, which encourages joint action by central, regional, and local authorities, public and private institutions, police, and community to solve problems of violence and lack of security.
 - b. It promotes pilot multisectoral interventions (with leadership shared by the agency responsible for citizen security and other public sector agencies specializing on areas related to domestic violence, violence in the schools, and other forms of violence in the country.
 - c. It introduces a new way of addressing the complex problem of territorial control of neighborhoods by groups linked to drug trafficking and organized crime, based on a methodology and proposal that coordinates police and judicial actions and community mobilization and strengthening of the communities' social capital to attack the problem, and other actions that promote social mainstreaming and access to justice for the most vulnerable groups in these neighborhoods.
 - d. It incorporates an unprecedented experience in Chile that calls for strengthening the relationship between the Carabineros de Chile and the population, for joint work in preventing crime and increasing security. The actions emphasize job-skills and advanced training for the Carabineros for work with low-income communities and at-risk youth, also unprecedented in Chile.

G. Coordination with other development institutions

- 1.27 The Ministry of the Interior has cooperative relations with the International Centre for the Prevention of Crime (ICPC) of Canada, the Habitat Program, and the United Nations Office of Crime Prevention. Some of the activities under the loan have

been designed taking into account the general policies of these organizations, specifically Habitat's Safer Cities Program. During program execution, actions will be coordinated with the ICPC, especially those involving training of Carabineros officers and the design of a community-policing model

II. THE PROGRAM

A. Objectives and description

- 2.1 The program's general objective is to contribute to a reduction in violence and crime, as well as the insecurity associated therewith, in selected municipalities and in neighborhoods in Chile's metropolitan, fifth, eighth, and ninth regions, which are affected by drug trafficking and organized crime.¹³
- 2.2 The specific objectives are:
- a. To strengthen the Subsecretariat of the Interior at the central and regional levels and its Citizen Security Division for implementation of the Chilean government's Citizen Security Policy;
 - b. To contribute to a reduction of violence and insecurity in 76 municipalities participating in the Safe Municipality Subprogram;
 - c. To design, implement, and evaluate pilot multisectoral interventions for prevention in priority areas of the National Policy and municipal citizen security plans;
 - d. To design, implement, and evaluate pilot activities to reduce violence and fear in 12 neighborhoods of the metropolitan, fifth, eighth, and ninth regions where territory is controlled by active groups linked to drug trafficking and organized crime;
 - e. To design, implement, and evaluate pilot interventions to promote police practices that favor the approach of collective responsibility and participation by Carabineros de Chile and the community for solving safety problems.
- 2.3 The program's proposed objectives will be achieved through strengthening the internal management and capability for cross-sectoral work in the units of the Ministry of the Interior that are responsible for the Citizen Security Policy, and the launching of innovative pilot interventions in selected municipalities, neighborhoods, and precincts around the country.

B. Structure of the program

- 2.4 The Safer Chile Program has four subprograms: 1) subprogram for strengthening the Citizen Security Policy; 2) the Safe Municipality subprogram; 3) the Safe

¹³ The fifth, eighth, and ninth regions are Valparaíso, Bio Bio, and la Araucanía.

Neighborhood subprogram; and 4) the subprogram for strengthening police-community integration.

1. Subprogram for strengthening the Citizen Security Policy (US\$1,859,000)

- 2.5 This subprogram's objective is to strengthen the Subsecretariat of the Interior at the central and regional levels and its Citizen Security Division for implementation of the Chilean government's Citizen Security Policy.
- 2.6 To achieve this objective three components have been designed: (a) strategic and intersectoral development; (b) development of the public affairs strategy; and (c) development of the monitoring and evaluation system.

a. Component 1: Strategic and intersectoral development (US\$955,000)

- 2.7 This component's objective is to develop the capacity and competence of the Subsecretariat of the Interior at the national and regional levels and its Citizen Security Division, to continue with the design of the Citizen Security Policy, and to improve intersectoral implementation of the government's programs and initiatives for violence prevention and the reduction of fear and insecurity.
- 2.8 To achieve this objective the program will establish a Strategic Advisory Unit (SAU) and coordinators will be hired in the regions, attached to the Subsecretariat of the Interior. The SAU's work agenda calls for deepening, enriching, and getting agreement on the Chilean government's proposed Citizen Security Policy with representatives of the country's academic, private, and political institutions. The SAU will also develop and strengthen the mechanisms for institutional coordination of the Ministry and others that are established in the framework of this program, and undertake activities to incorporate the citizen security component in the strategies and programs of other public sector entities in Chile.
- 2.9 The coordinators in the regions will be responsible for the operation of the regional technical offices for coordination of public sector institutions in the area of citizen security, in order to provide technical support for the programs, projects, and activities of the municipalities and neighborhoods where the Safer Chile Program is implemented. The regional technical offices will be headed by the governor(s) of the provinces in which they operate.
- 2.10 This component will finance: (i) the hiring of two professionals for the Strategic Advisory Unit; (ii) the hiring of 10 regional coordinators; (iii) seminars for dissemination and dialogue on the Citizen Security Policy; (iv) the operational plan for the SAU; and (v) the equipping of offices for the SAU and the coordinators in the regions.

**b. Component 2: Development of the public affairs strategy
(US\$339,000)**

- 2.11 This component's objective is to strengthen the capacity of the Subsecretariat of the Interior to disseminate the government's policy and programs on prevention and control of crime and violence.
- 2.12 To achieve this objective the following activities will be undertaken: (i) training sessions and workshops with representatives of the media; (ii) production of texts and promotional handouts; (iii) seminars and workshops for discussion of the results; and (iv) campaigns on radio, television, and buses.
- 2.13 The training sessions and workshops with media representatives are intended to improve media coverage of violence-related matters and to give media representatives useful information tools for responsible handling of this topic. The seminars and workshops for dissemination will release results of studies and evaluations of the program's components. The radio and television campaigns will consist of messages and education campaigns on crime prevention. The bus campaign will use poster ads to encourage people, among other things, to use the telephone to contact the police officers in charge of each sector.
- 2.14 This component will finance: (i) training sessions; (ii) design and printing of publications; (iii) seminars and fairs for presentation of the program's results; (iv) design and maintenance of a web site; (v) radio campaigns; (vi) a television spot; and (vii) campaigns for promotion of and information about the Quadrant Policing Plan.

**c. Component 3: Development of the system for monitoring and
evaluation (US\$565,000)**

- 2.15 This component's objective is to strengthen the capacity to monitor and evaluate the programs and initiatives for violence prevention and crime control in the Subsecretariat of the Interior and its Citizen Security Division.
- 2.16 To achieve this objective, an evaluation system will be implemented and maintained that will remain in line with the financial and accounting system. The system will serve to monitor and evaluate the program, with special emphasis on evaluation of the pilots and other innovative activities implemented during program execution. The system will also provide the inputs needed for the midterm and final evaluations and will make it possible to produce program impact evaluations.
- 2.17 The program will also strengthen and expand the Geographic Information System (GIS) that currently operates in the Citizen Security Division, generating social and police information inputs that will be used to improve the performance of the Carabineros de Chile and promote citizen and local government participation in decision-making for their territories.

- 2.18 The component will finance: (i) the design of the elements of the system for monitoring and evaluation of the program; (ii) procurement of four sets of mobile equipment for remote web access; (iii) the hiring of a specialist in systems development; and (iv) impact evaluations of the program's components (see paragraph 3.55).

2. Safe Municipality subprogram (US\$7,270,000)

- 2.19 The objective of this subprogram is to contribute to a reduction of violence and insecurity in 76 municipalities in Chile.
- 2.20 To achieve this objective the subprogram has two components: (a) establishment and strengthening of local capacity; and (b) pilot multisectoral models for social prevention.

a. Component 1: Establishment and strengthening of local capacity (US\$5,070,000)

- 2.21 This component's objective is to strengthen and establish a capacity for management and shared responsibility for citizen security in municipalities and public and community organizations in 76 municipalities in Chile.
- 2.22 To achieve this objective, the program will undertake the following activities: (i) consolidation and strengthening of management of the subprogram in the 40 municipalities where it is already underway; (ii) expansion of coverage to 36 of the country's municipalities with over 40,000 inhabitants; and (iii) delivery of materials on the Safe Municipality Program to the country's municipalities.
- 2.23 Consolidation and strengthening of the 40 municipalities in which the program is underway will include training and technical assistance to strengthen management at all levels and steps of the implementation cycle of the Safe Municipality Program.
- 2.24 To expand the program to the other 36 municipalities, they will be selected on the basis of the following criteria: (i) crime rate; (ii) number of inhabitants; (iii) the rate for reporting crimes with higher social implications in the last three years;¹⁴ and (iv) the municipality's technical capacity and willingness to invest resources in citizen security. Installation of the program in the selected municipalities will be done by mutual agreement with the municipalities, to ensure that all steps are taken to make the program conform to the internal organization and particular circumstances of each locality.

¹⁴ The crimes that the Ministry of the Interior includes under this heading are: larceny, robbery, aggravated robbery with intimidation, homicide, rape, domestic violence and injury.

- 2.25 The delivery of materials to the country's municipalities will be done in regional seminars on citizen security to which mayors, council members, legislators, carabineros, investigation police, chiefs of public services, regional prosecutors, administrators, and governors will be invited. Topics covered in these events will be: (i) approaches and prevention programs for citizen security; (ii) dissemination of legal reforms (iii) scope of existing data and information needs; and (iv) the media's role on matters of citizen security, among others.
- 2.26 This component will finance: (i) training workshops for members of the Municipal Citizen security Councils, municipal technical offices, nongovernmental organizations (NGOs), and organized community; (ii) the contracting of 36 technical secretaries; (iii) equipment for 36 technical secretariats; (iv) the design and production of materials on the methodology, operational cycle, and internal procedures for Safe Municipality; (v) training events and technical assistance for the technical secretaries; (vi) resources for funds awarded by competition; (vii) production of publicity materials; (viii) design and production of educational material on topics of prevention of domestic violence, prevention in schools and other areas; and (ix) exchanges among municipalities to share good practices.

**b. Component 2: Pilot multisectoral models for crime prevention
(US\$2,200,000)**

- 2.27 This component's objective is to design, implement, and evaluate eight multisectoral prevention-oriented interventions in priority areas of the national policy and municipal citizen security plans. The pilot projects will be carried out in eight Chilean municipalities.
- 2.28 Municipalities in which the pilot multisectoral projects will be implemented will be chosen on the basis of the following criteria: (i) existence of the mayor's commitment to citizen security; (ii) effectively functioning Municipal Citizen Security Council and technical secretariat for Safe Neighborhood program; (iii) the municipality's technical capability and institutional coordination; and (iv) the local technical capacity of the unit that will execute the pilot project.
- 2.29 Design and execution of the pilot multisectoral projects will be headed by sector agencies responsible for the specific areas, which are: violence and child abuse prevention; prevention of violence in schools; prevention of violence among children and delinquent youth; and prevention of gang violence. These projects will be executed by SERNAM, MINEDUC, SENAME, CONACE, and INJUV, as well as other public agencies needed to achieve the multisectoral purpose of the projects. They will be designed based on technical criteria, methodology, and institutional coordination proposed by the Citizen Security Division.
- 2.30 This component will fund execution of the eight multisectoral projects assigned to the institutions mentioned.

3. Safe Neighborhood Subprogram (US\$3,854,000)

- 2.31 This subprogram's objective is to contribute to a reduction of violence and fear in 12 neighborhoods in the metropolitan, fifth, eighth, and ninth regions, where areas are actively controlled by groups linked to drug trafficking and organized crime.
- 2.32 The following activities will be undertaken in pursuit of this objective: (i) strengthening of actions in neighborhoods where the subprogram is already operational; and (ii) implementation of the subprogram in eight other neighborhoods in the metropolitan, fifth, eighth, and ninth regions.
- 2.33 Actions will be strengthened in four neighborhoods of the metropolitan region of Santiago: La Legua Emergencia (San Joaquín Municipality), La Victoria (Pedro Aguirre Cerda Municipality), Santa Adriana (Lo Espejo Municipality) and Sara Gajardo/Intendente Saavedra (Cerro Navia Municipality), where situational and social prevention actions to enable the use of public areas, promotion of rights, and the prevention of drug consumption, among others.¹⁵ The purpose of the strengthening is to introduce innovations in the Ministry of the Interior's current prevention strategy.
- 2.34 To coordinate the strengthening activities in the neighborhoods where the subprogram is being executed, and their expansion to eight new neighborhoods, the Neighborhood Safety Department will be strengthened with the hiring of seven neighborhood coordinators.
- 2.35 The subprogram has four components: (a) community mobilization; (b) prevention for at-risk groups; (c) social mainstreaming of persons in trouble with the law; and (d) access to justice.

a. Component 1: Community mobilization (US\$2,439,000)

- 2.36 This component's objective is to recover the social use of the area and the community spaces, strengthen the neighborhood's social networks, and promote productive activities by the residents through a process of mobilization of social leaders and the community in general.
- 2.37 Activities planned for this component are: (i) construction of the baseline; (ii) training of social leaders and support for planning and execution of community development projects; and (iii) dissemination of the program in the neighborhood.
- 2.38 To construct the baseline, information will be collected on the current situation in the neighborhood, that will include identification of at-risk zones. In addition, there will be a work plan including situational prevention and community infrastructure

¹⁵ The situational prevention projects include lighting for pedestrians, tree pruning, clearing of traffic lanes, recovery of vacant lots, and elimination of small garbage dumps, among others.

projects, community strengthening, and support for the local economy. Training for social leaders will enable them to develop entrepreneurial and leadership skills, and to prepare social projects and identify additional financing sources.

- 2.39 This component will finance: (i) the contracting of specialized consultants; (ii) situational prevention and community infrastructure projects; and (iii) the design and printing of public relations materials.

b. Component 2: Prevention in at-risk groups (US\$950,000)

- 2.40 This component's objective is to counteract the possible incorporation of at-risk boys, girls, and youth aged 7 to 18 in drug trafficking networks and activities, through a plan of prevention and psychosocial development. This component will be implemented in 12 neighborhoods and benefit a population of about 100 children and youth in each neighborhood.
- 2.41 The following activities are planned in this component: (i) identification of the target population; (ii) identification of available public and private services targeted at social mainstreaming; (iii) preparation and execution of personalized plans for psychosocial, training, and educational support; (iv) coordination for guided referrals; and (v) follow-up and processing of results for the beneficiaries of the support plans.
- 2.42 This component will finance hiring specialized consultants who will be responsible for execution of the proposed actions.

c. Component 3: Social mainstreaming of persons in trouble with the law (US\$366,000)

- 2.43 This component's objective is to support the social mainstreaming of persons who have broken the law, through an individual plan that offers alternatives for personal and family development. The component will benefit 13 to 15 persons in each neighborhood from the following groups: women heads of household linked to drug trafficking; youth in trouble with the law (14 to 17 years old); and young first offenders who are released from jail (18 to 29 years old).
- 2.44 The following activities are planned for this component: (i) identification and selection of target population; (ii) analysis of available public services; (iii) coordination for guided referrals; (iv) preparation and execution of individual plans for social mainstreaming that include civic training; (v) employability (self-employment and equivalency diploma); (vi) family support; and (vii) financial incentives to fulfill the plan in 12 months.
- 2.45 This component will finance the hiring of specialized consulting services for execution of the proposed actions.

d. Component 4: Access to Justice (US\$99,000)

- 2.46 This component's objective is to make cooperation between the justice system and the local community (neighborhoods) more effective in the area of crime prevention, ensuring greater judicial efficacy and protection of the residents in the neighborhoods in which the program will be executed.
- 2.47 The following activities will be carried out under this component: (i) assist in the prosecution of persons guilty of drug trafficking and related crimes, participating in the pertinent proceedings; (ii) establish a permanent and systematic dialogue between the legal staff of the Citizen Security Division and the local community, so that residents understand their duties and rights, cooperate with the justice system and participate at the pertinent legal stages; and (iii) interact with other aid agencies to provide comprehensive service, especially at the level of the competent courts, police, and neighborhood coordinators.
- 2.48 This component will finance the hiring of five lawyers who will be directly tied to each of the neighborhoods where the program is being carried out.

4. Subprogram for the Strengthening of Carabineros-Community Integration (US\$2,152,000)

- 2.49 The subprogram's objective is to develop police practices to strengthen the Carabineros-Community relationship and make if possible for safety problems affecting the population to be addressed jointly and collaboratively.
- 2.50 The subprogram has three components: (a) pilot models for community policing; (b) improvement of police performance; and (c) showcase of good police practices.

a. Component 1: Pilot models for community policing (US\$1,375,000)

- 2.51 Design, implement, and evaluate four pilot interventions to promote police practices that favor the approach of shared responsibility and participation between Carabineros de Chile and the community to solve the problems affecting their security.
- 2.52 To achieve this objective: the models and experiences in community policing most appropriate Chile will be selected. This selection process will be supported by study tours of police officers to countries with relevant experience. Subsequently a proposed intervention model will be designed and actions will be taken to initiate its execution.
- 2.53 Activities for the execution of the pilot projects include: (i) training of officers of Carabineros de Chile; (ii) installation of a training center for Carabineros; (iii) selection of the communities where the pilot experiences will be applied;

(iv) training for staff of the police units where the four pilot experiences will be developed; and (v) design of a strategy for dissemination of the pilot projects.

- 2.54 Resources of the loan will finance: (i) the design of the model; (ii) study tours to learn of experiences in community policing; (iii) implementation of the Training Center; (iv) training workshops for officers; (v) execution of the model, which includes: community organization, informational materials, special equipment and vehicles, and training of technical support personnel for implementation of the pilots; and (vi) feasibility study for institutionalization of the models.

b. Component 2: Improvement of Police Management (US\$598,000)

- 2.55 The component's objective is to improve police management for situational prevention and police performance by developing the capability to analyze and use geographical information on police statistics, community perception, local services available, and community demands.
- 2.56 Innovative police management implies using all the available georeferenced information of a police and social nature to emphasize the territorial targeting strategies in the context of the Carabineros de Chile Quadrant Policing Plan. This will be achieved by linking the GIS system in six prefectures and 42 precincts of the metropolitan region and training system users.
- 2.57 Resources of the loan will finance: (i) the purchase of software and licenses; (ii) the purchase of a server and computers; (iii) study tours to learn about similar systems; (iv) an opinion poll; (v) the hiring of six statistics professionals; (vi) the hiring of support personnel for execution of the component; and (vii) training workshops.

c. Component 3: Showcase of good practices (US\$179,000)

- 2.58 This component's objective is to install and develop capacities in Carabineros de Chile to identify and process good practices in police-community relations in the whole gamut of preventive services offered by Carabineros to civil society.
- 2.59 The component will carry out the following activities: (i) development of a theoretical and functional model of the showcase, including ways to evaluate and monitor its operation; (ii) identification of good police practices for establishment of a baseline; (iii) implementation of the showcase; (iv) design and execution of training programs; and (v) processing of the data generated in the course of the program.
- 2.60 Resources of the loan will finance: (i) the design of the showcase; (ii) study tours; (iii) user training; (iv) the hiring of staff to collect good practices; and (v) the hiring of technical support personnel for execution of the component.

C. Cost and financing

- 2.61 The program's total cost is estimated at US\$16,630,000 which would be financed with an IDB loan of US\$10 million and a local counterpart of US\$6,630,000 broken down as shown in the following table:

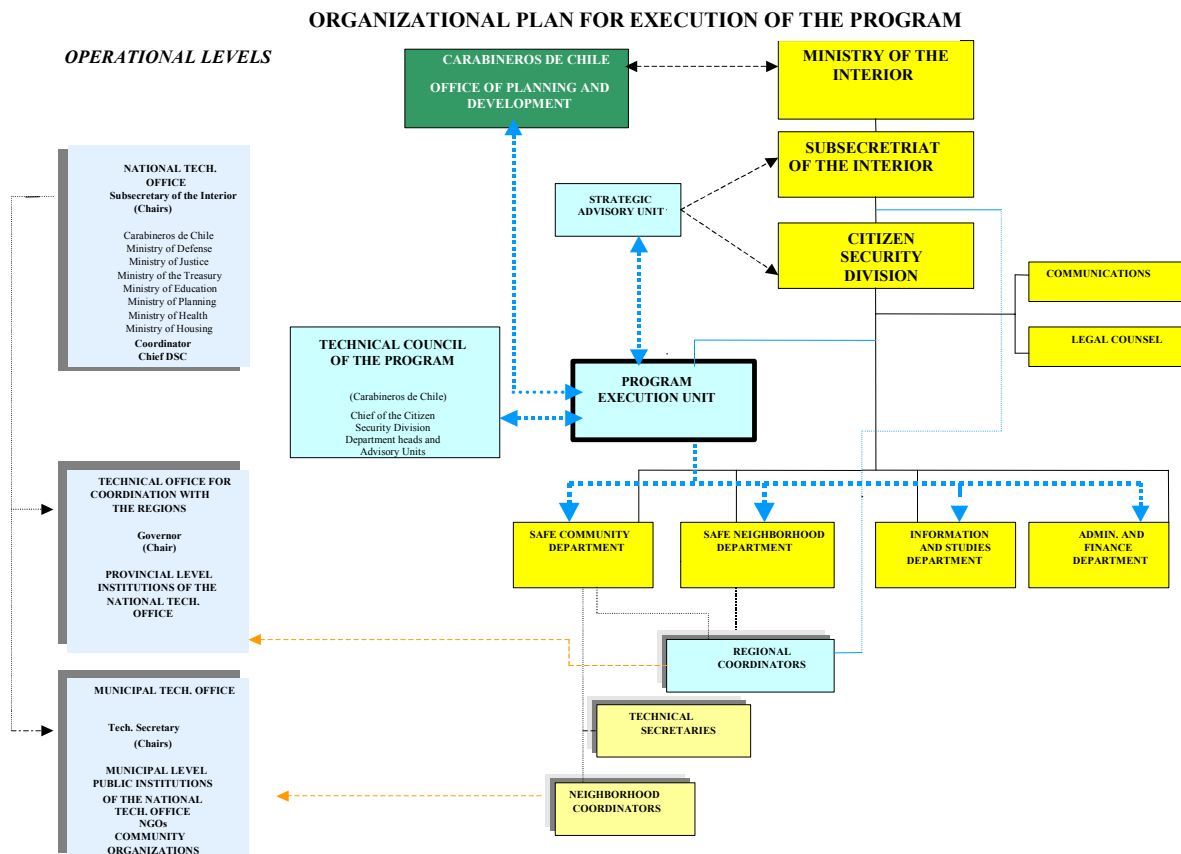
Table II-1 COST TABLE (in US\$)				
Item	IDB	Local counterpart	Total	%
Administration and evaluation	480,000	160,000	640,000	4%
Program Execution Unit (PEU)	330,000	160,000	490,000	
Midterm and final evaluations	150,000	0	150,000	
1. Subprogram 1: Strengthening the Citizen Security Policy	1,551,000	308,000	1,859,000	11%
1.1 Strategic and intersectoral development	955,000	0	955,000	
1.2 Development of the public affairs strategy	110,000	229,000	339,000	
1.3 Development of the monitoring and evaluation system	486,000	79,000	565,000	
2. Subprogram 2: Safe Municipality Program	3,102,000	4,168,000	7,270,000	44%
2.1 Installation and strengthening of local capacities	902,000	4,168,000	5,070,000	
2.2. Pilot multisectoral models for social prevention	2,200,000	0	2,200,000	
3. Subprogram 3: Safe Neighborhood program	3,282,000	572,000	3,854,000	23%
3.1 Community mobilization	2,241,000	198,000	2,439,000	
3.2 Prevention in at-risk groups	576,000	374,000	950,000	
3.3 Social mainstreaming of persons in trouble with the law	366,000	0	366,000	
3.4 Access to justice	99,000	0	99,000	
4. Subprogram 4: Strengthening of Carabinero-community integration	1,485,000	667,000	2,152,000	13%
4.1 Pilot models in community policing	796,000	579,000	1,375,000	
4.2 Improvement of police performance	549,000	49,000	598,000	
4.3 Showcase of good practices	140,000	39,000	179,000	
Subtotal	9,900,000	5,875,000	15,775,000	
Loan Costs				
Credit fee and interest	0	755,000	755,000	5%
Inspection and supervision	100,000	0	100,000	1%
Program Total	10,000,000	6,630,000	16,630,000	100%
Percentage of participation	60%	40%	100%	

- 2.62 The Bank will contribute 60% of the program's cost, with resources in U.S. dollars from the Single Currency Facility of the Bank's Ordinary Capital (OC), with an amortization period of 20 years and a grace period of three years. The loan will have a variable interest rate. In addition, the borrower will pay a credit fee of 0.75% on the undisbursed balance, and an inspection and supervision fee of 1% of the amount of the loan.
- 2.63 Local counterpart resources will cover 40% of the program's cost. These resources will come from the Republic of Chile's national budget.
- 2.64 This operation qualifies as a social equity enhancing project, as described in the indicative targets mandated by the Bank's activity contained in the report on the Eighth General Increase in Resources (document AB-1704), but does not qualify as a poverty-targeted investment (PTI). However, there are actions in the program targeted specifically at people considered below the poverty level, such as the inhabitants of the neighborhoods in which the Safe Neighborhood Subprogram will be executed.

III. PROGRAM EXECUTION

A. Execution plan

- 3.1 The borrower in the operation will be the Republic of Chile, which will assume the debt service and will be responsible for furnishing the program's local counterpart resources.
- 3.2 The executing agency of the program will be the Ministry of the Interior, through the Subsecretariat of the Interior, which will act through its Citizen Security Division, in which the Program Execution Unit (PEU) will be located. The organizational chart for the program and the description of the functions of levels responsible for the loan's execution are as follows.



- 3.3 **The Ministry of the Interior** is the executing agency of the program.
- 3.4 **Subsecretariat of the Interior** is the office of the Ministry of the Interior with institutional responsibility for fulfillment of the commitments made to the Bank for

execution of the loan. It oversees the Citizen Security Division, the Strategic Advisory Unit, the Legal Division, and the Coordinators in the regions.

- 3.5 **Citizen Security Division (DSC)** is the office of the Subsecretariat of the Interior that is responsible for planning, negotiating, and carrying out the Ministry of the Interior's citizen security policies. The DSC is composed of three departments: safe municipality, safe neighborhood, information and studies; and three units: public information, administration and finance, and legal. The DSC is responsible for ensuring operational conditions and coordination between the departments and units for the execution of the loan.
- 3.6 **Interministerial Committee on Citizen Security (CISC).** This is a level of coordination headed by the Minister of the Interior, whose mission is promoting the agenda of the Safer Chile Program and development of the new citizen security policy of the Government of Chile. The Committee is composed of the ministers and subsecretaries of the Ministries of Defense, Justice, Finance, Education, Planning, Health, Housing and Urban Development, and the Interior.
- 3.7 **National Technical Office (MTN)** will be an operational instrument headed by the Subsecretary of the Interior and coordinated by the Chief of the Citizen Security Division. The MTN will be made up of high-level technical representatives of the Ministries of Defense, Justice, Finance, Education, Planning, Health, Housing, and Interior, and their departments and Carabineros de Chile.
- 3.8 **Regional Technical Offices (MTR).** These will be operational instruments set up in Chile's regions and coordinated by the coordinators in the regions, who report to the Subsecretariat of the Interior. Their mission is to promote activities with participating institutions of the National Technical Office in the regions, and to support coordination and follow-up of the Safe Municipality and Safe Neighborhood subprograms. The MTRs will be headed by the governors of the provinces in which they are set up.
- 3.9 **Panel of Experts.** This is a group of professionals of recognized standing and expertise in the area of citizen security, established by the Subsecretariat of the Interior to support the development of the Chilean government's Citizen Security Policy. A representative of the Subsecretariat of the Interior serves as the panel's secretariat.
- 3.10 **Technical Council.** This will be an internal level coordination mechanism under the chief of the Citizen Security Division, whose role will be to ensure the coordination and complementarity of actions among the division's departments for the execution of the program activities. It will be made up of the chiefs of the departments and units of the Citizen Security Division, and the officer representing the Planning and Development Office of Carabineros de Chile. The Technical

Council will be chaired by the chief of the Citizen Security Division, and coordinated by the Director of the PEU.

- 3.11 **Program Execution Unit (PEU).** An office in the Citizen Security Division, its function will be technical and operational coordination of the program financed by the loan, and it will be the IDB's operational counterpart for execution. The PEU will have only coordination and support functions for the departments and units of the Citizen Security Division and Carabineros de Chile. Execution functions will be the responsibility of the line departments and units of the DSC and Carabineros de Chile.
- 3.12 The PEU will be headed by a professional—Director of the PEU—and a team of five professionals: a coordinator of internal support, a coordinator of external relations, a coordinator of evaluation, a bookkeeper, and an attorney. The coordinators of internal support and external relations will support the work of all the loan's subprograms. The coordinator of evaluation, the attorney, and the accountant will be part of the corresponding departments and units.

B. Execution of the subprograms

- 3.13 The qualifications and duties of the professionals who comprise the PEU will be spelled out in the Operating Regulations. Expenses of hiring these six professionals for 30 months, as well as their office equipment and operational expenses, will be funded with resources from the loan under the Administration heading.
- 3.14 **Subprogram 1. Strengthening of the citizen security policy. Component 1: Strategic and intersectoral development.** Execution of this component will be the responsibility of the SAU, consisting of two professionals and 10 coordinators in the regions who will be hired by the Subsecretariat of the Interior. The Strategic Advisory Unit and the coordinators in the regions will report administratively to the Subsecretariat for the Interior and operationally to the Citizen Security Division. The professionals of the SAU will be members of the Technical Council of the Program. Their work will be supported by the PEU's internal coordinators and external relations coordinators.
- 3.15 The coordinators in the regions will work in Chile's 13 regions in direct contact with the heads of the Safe Municipality and Safe Neighborhood departments, the person responsible for intersectoral work in the SAU, and the governor(s) of the provinces in which they will be established. These coordinators will be convened quarterly for the Technical Council's meetings and meetings with the Subsecretary of the Interior. The qualifications and duties of the SAU professionals and the regional coordinators will be spelled out in the Operating Regulations.
- 3.16 During their first three months on the job, the SAU professionals and the coordinators in the regions will prepare proposals and specific plans for the

- activities and expected results during the period of the loan's execution. The plans and proposals will be consistent with the policy guidelines and priorities and will strengthen ongoing initiatives of the Ministry of the Interior, the Subsecretariat of the Interior, and the Citizen Security Division. Preparation of these proposals and work plans will be coordinated with advisory and operational levels of the Ministry of the Interior (Interministerial Committee, National Technical Office, and departments and units involved in the execution of the program).
- 3.17 Organization and logistics of seminars and events held in this component will be outsourced to specialized consulting firms.
- 3.18 **Subprogram 1. Strengthening of the citizen security policy. Component 2: Development of the public affairs strategy.** Responsibility for execution of this component will lie with the Communications Unit of the Citizen Security Division, and for execution of its duties will coordinate its activities with the director of the PEU, the heads of the departments carrying out the subprograms, and the officer representing the planning and development office of Carabineros de Chile. The chief of this unit will serve on the program's technical council.
- 3.19 Execution of this component's activities will be reinforced with the hiring of a public relations specialist who will support the unit chief in the contracting and follow-up of the design, production of materials, and hiring for dissemination and training events that will be outsourced to specialized consulting firms. This unit will be responsible for execution of the media campaign for the Quadrant Policing Plan, in coordination with the planning and development office of Carabineros de Chile.
- 3.20 **Subprogram 1. Strengthening of the citizen security policy. Component 3: Development of the monitoring and evaluation system.** Responsibility for this component will fall to the Department of Information and Studies of the Citizen Security Division, which will be supported by the coordinator of evaluation hired by the PEU. The chief of this department will coordinate its activities with the chiefs of the departments and units responsible for execution of the loan's subprograms and components. The unit chief will sit on the technical council of the program.
- 3.21 For the execution of this department's activities an expert in system development will be hired to work with the current staff of the department and the PEU coordinator to support the activities for development of the system and training included in this component. This department will also support the heads of the other departments and units with program execution responsibilities in areas related to preparing, carrying out, and following up on the planned impact evaluations.
- 3.22 **Subprogram 2. Safe Municipality Program. Component 1: Establishment and strengthening of local capacities.** This subprogram will be the responsibility of the Safe Municipality Department of the Citizen Security Division and the participating

- municipalities. The chief of the Safe Municipality Department will be a member of the technical council of the program and will receive support from the PEU's internal and external relations coordinators, hired to support the activities. The work in the municipalities will be done through the technical secretaries in coordination with the mayor and the Municipal Citizen Security Councils in the participating municipalities.
- 3.23 Training events in the municipalities where the program is executed will be included in an annual plan that will be coordinated in terms of content and dates with the mayor and municipal councils of each municipality. Specialized consulting firms will be hired to conduct training workshops for the municipal councils, municipal technical offices, technical secretaries, and the representatives of public, private, and community organizations in the community councils. The Safe Municipality Department will produce the guidelines for the technical secretaries. Production of material for community-level training will be coordinated with the municipal councils. Production of educational material on violence prevention will be coordinated with the responsible sector institutions through the national technical office.
- 3.24 To launch the subprogram in new municipalities, the Safe Municipality Department will start negotiations with municipalities already chosen. The objective of the negotiations is to determine the mayor's institutional and policy priorities in the area of citizen security and his or her availability to provide local counterpart resources to implement the program and sustain it in the future. Based on the results of these negotiations, the subprogram will establish the definitive list of municipalities that will participate in the program and will work with them on the terms of a concerted startup. Then they will decide on the process of joint selection of technical secretaries and proceed to hire, train, and orient them in the methodologies, internal procedures, and working with participating organizations. Finally all the activities of the Safe Municipality program will begin.
- 3.25 **Subprogram 2. Safe Municipality Program. Component 2: Pilot multisectoral projects for crime prevention.** Specialized sector institutions will be responsible for the execution of this component. The Safe Municipality Department will invite SERNAM, MINEDUC, SENAME, and CONACE to present plans for pilot multisectoral projects, which must be based on technical criteria, methods, and coordination suggested by the Citizen Security Division in agreement with these institutions. Project design should include follow-up mechanisms and performance indicators consistent with the pilots' objectives. The Ministry of the Interior and the participating institutions will conduct conversations in the framework of the national technical office.
- 3.26 After making those arrangements, the institutions will start drawing up their proposals, applying their expertise in the sector area for which they are responsible to the specific requirements and approaches of a violence prevention program. The

- proposals for pilot multisectoral projects will be presented to the national technical office, where they will be analyzed, supplemented, and fleshed out. At the end of this process the terms of the agreements that will govern each agency's involvement for the execution of the pilot projects will be agreed upon. The agreements will include aspects concerning follow-up, disbursements, and others that both parties deem advisable.
- 3.27 Monitoring and supervision of the pilot projects will be performed by the technical secretaries of the municipalities where they are implemented. The technical secretaries will report to the department head and the coordinators in the regions on progress in the execution of the pilot projects. The latter will have specific operational mechanisms for coordination of participating institutions. This operational coordination will be strengthened by the regional technical offices.
- 3.28 **Subprogram 3. Safe Neighborhood Program.** Execution of this subprogram will be the responsibility of the Safe Neighborhood Department of the Citizen Security Division, and the municipalities of the neighborhoods where the subprogram will be carried out. The chief of the Safe Neighborhood Department will be a member of the technical council and will receive support from the PEU's internal and external relations coordinators. The chief will supervise the neighborhood coordinators, who are responsible for coordinating execution of the subprogram in the neighborhoods. The duties of these coordinators are defined in the Operating Regulations.
- 3.29 The subprogram will be expanded to new neighborhoods as follows: the neighborhoods will be chosen by the Subsecretary of the Interior, in coordination with Carabineros de Chile. Once the selection is made, the Subsecretary of the Interior will inform the mayor of the municipality where the neighborhood is located concerning the characteristics of the Safe Neighborhood subprogram and will agree with him or her on the terms of a joint study in the neighborhood that will include the following aspects: (i) the roles and operational functions of follow-up and evaluation that are the responsibility of the Subsecretariat of the Interior and the municipality; (ii) the mechanisms for coordination between the Subsecretariat of the Interior and the municipality on matters concerning execution of the subprogram's components; and (iii) the mechanisms for transfer of resources for activities envisioned in the subprogram that will be executed by the municipality.
- 3.30 Subsequently, representatives of the Safe Neighborhood subprogram and the municipality will initiate contact with neighborhood leaders and community organizations to set up a neighborhood office that will identify the main problems of violence and fear in the neighborhood, and provide opportunities for discussion of alternative solutions by the residents and coordination between them and the public and private organizations in the neighborhood. The neighborhood office will also be responsible for follow-up and social content of the component activities

financed by the loan. The neighborhood office will be composed of the neighborhood coordinator of the Safe Neighborhood subprogram and representatives of the municipality, other public entities, NGOs, and community organizations, and will be chaired by a neighborhood representative elected by the residents.

- 3.31 **Subprogram 3. Safe Neighborhood Program. Component 1: Community mobilization.** Specialized consulting firms will be hired for execution of this component. Their activities will include creating the baseline with information on the neighborhood situation. The consulting firms will be responsible for organization and training and for energizing the community, which will result in the drafting of a work plan agreed upon by the neighborhood residents and leaders and the authorities of the Ministry of the Interior and the respective municipality. These plans will include situational prevention and community infrastructure projects, community strengthening, and support for the local economy. The work of the consulting firms will be coordinated and supervised by the Safe Neighborhood Department.
- 3.32 **Subprogram 3. Safe Neighborhood Program. Component 2: Prevention in at-risk groups.** Consulting firms will be hired for execution of this component. They will identify and select the beneficiaries through diagnostic assessments of the municipality and information provided by neighborhood leaders. Subsequently, the consulting firms will prepare individual support plans to address the specific needs of the beneficiaries selected. These plans will be implemented through two methods: (i) guided referrals, which consist of assigning children and/or youth to the various public and private agencies that provide specialized services identified as needed under each plan (such as services related to domestic violence, sexual abuse, general health, special education, remedial education, sex education, etc.); and (ii) specialized services and activities offered under the component. These activities will include motivational workshops and workshops on use of free time, psychosocial assistance, including psychological counseling, self-help strategies, family support (family relations), and school reinforcement. The work of the consulting firms will be coordinated and supervised by the Safe Neighborhood Department.
- 3.33 **Subprogram 3. Safe Neighborhood Program. Component 3: Social mainstreaming of people in trouble with the law.** Consulting firms will be hired for execution of this component. They will identify and select the beneficiaries and identify private and public supply of specialized services by gathering data inside the neighborhood, in SENAME, and from the Gendarmeria de Chile.¹⁶ With this information, the consulting firm will prepare personalized support plans to promote

¹⁶ The Gendarmeria is a force attached to the Ministry of Justice, whose mission is to guard, monitor, and assist individuals who have been arrested, detained, or placed on probation or parole by the competent authorities, and contribute to their social mainstreaming.

- the social mainstreaming of the beneficiaries selected. The activities in the plans will include: (i) citizenship training (support for obtaining identity cards, police/judicial records, academic transcripts, admission to the health system, photos for these procedures, etc.); and (ii) employability, through the financing of high school and grade school remedial courses to facilitate access to jobs and/or the purchase of goods and inputs. The work of the consulting firms will be coordinated and supervised by the Safe Neighborhood Department.
- 3.34 **Subprogram 3. Safe Neighborhood Program. Component 4: Access to justice.** Execution of this component will be the responsibility of the Legal Division of the Ministry of the Interior, under supervision by the Subsecretariat of the Interior and in coordination with the Safe Neighborhood Department.
- 3.35 **Subprogram 4. Strengthening of police-community integration.** Operational execution of this subprogram will be the responsibility of Carabineros de Chile, in coordination with the Subsecretariat of the Interior and the Citizen Security Division.
- 3.36 For this subprogram Carabineros de Chile will be organized as follows: (i) an executive office of the subprogram will be established in the Office of Order and Safety; (ii) the functions of planning, coordination, and general oversight of the subprogram will be established in the Office of Planning and Development, which reports to the Director General of Carabineros de Chile and will form a base team composed of agency officials devoted full-time to the subprogram's activities; (iii) the Office of Order and Security, following the institutional chain of command, will create three teams to be responsible for execution of the subprogram's three components; (iv) the chief of the metropolitan zone, under the Office of Order and Security, will be responsible for management of human and logistical resources; and (v) implementation of activities and actions of the pilot projects and other components of the subprogram will be done in the precincts. The characteristics and duties of those responsible for execution of this subprogram will be defined in the Operating Regulations.
- 3.37 **Subprogram 4. Strengthening of police-community integration. Component 1: Pilot models of community policing.** The municipalities in which the pilot models will be implemented will be selected based on the following criteria: (i) a high percentage of youth at social risk; and (ii) high levels of problems related to small-time drug dealing. Execution of the pilot projects will be the responsibility of the Carabineros de Chile precincts, with support from consulting firms that will be hired to conduct workshops and monthly meetings with municipal groups. At these meetings, Carabineros will gather residents' concerns about situations of violence and fear and will provide information on measures taken by the precincts to confront them and report on their results. These activities will be supported with the dissemination of information and materials on the characteristics of the pilot projects.

3.38 **Subprogram 4. Strengthening of police-community integration. Component 2: Improvement of police management.** The following steps will be taken for the execution of this component: Carabineros de Chile will adopt the improvements in the Geographical Information System (GIS-crime), and the executive office of Subprogram 2, together with the base team for this component, will work with the Department of Information and Studies, in coordination with the DSC, to make decisions on logical and physical plans, work methods, measurement parameters, criteria for use and publication, and requirements for information and exchange between Carabineros de Chile and the Ministry of the Interior. Internally, Carabineros de Chile will establish a strategic analysis unit in the Office of Order and Safety, which will work with the Department of Information and Studies of the Citizen Security Division to define guidelines for analysis, exchange of data, and preparation of progress reports.

3.39 **Subprogram 4. Strengthening of police-community integration. Component 3: Showcase of good practices.** Execution of this component will be the responsibility of the Office of Planning and Development of Carabineros de Chile. The system for follow-up and application of good practices will be located in the Office of Order and Safety. The Citizen Security Division will take part in and work with this showcase through technical support from the Department of Information and Studies. The Office of Planning and Development will maintain continuous coordination with the Safe Municipality and Safe Neighborhood subprograms to identify practices to be studied and processed. At the local level, good practices will be disseminated in the precincts through training and delivery of information.

C. Operating Regulations

3.40 Additional details of the program's execution are contained in the Operating Regulations. Entry into force of the version of the Operating Regulations approved by the Ministry of the Interior and agreed upon with the Bank is a special contractual condition precedent to the first disbursement of the Bank's financing.

D. Financial administration of the program

3.41 Administrative and financial execution of the program will be the responsibility of the Administration and Finance Unit of the Citizen Security Division, supported by a bookkeeper contracted by the PEU.

3.42 The Administration and Finance Unit will implement a system of administrative accounting information and management control to record, follow-up on, and account for the loan resources, with an on-line connection to the monitoring and evaluation system. The duties of the Administration and Finance Department regarding the loan are spelled out in the Operating Regulations.

E. Revolving Fund

- 3.43 The Citizen Security Division will open and maintain specific and separate bank accounts to manage the program resources. For disbursements, a revolving fund will be established with up to 10% of the Bank's financing. Semiannual reports on the financial condition of the revolving fund must be presented within 60 days after the close of each semester.

F. Procurement of goods and services

- 3.44 Procurement of goods and services financed with the loan's resources will be subject to the Bank's current restrictions and procedures, which will be part of the loan contract.
- 3.45 The procurement of goods for amounts of US\$350,000 or greater and contracts for consulting services costing more than US\$200,000 will be done through international competitive bidding. Price will be the criterion for selection of service providers, pursuant to the provisions of document GN-1679-3. When making the selection based on technical merit and price, the relative weight of the price factor will not exceed 20%. In order to expedite program execution, the Bank will do an ex post evaluation of procurement of goods and contracting for works involving amounts below US\$350,000, the hiring of individual consultants for amounts below US\$50,000, and the hiring of consulting firms for amounts below \$100,000. The program's procurement plan is set out in Annex III-2.
- 3.46 Contracting of consulting services will be done in accordance with the Bank's standard procedures. As an exception to Bank policy on the hiring of consulting services, it is recommended that five individual consultants who work in the Citizen Security Division be hired directly. This exception is requested because of the technical and operational advantages indicated below. These five individuals: (i) have demonstrated outstanding technical ability and leadership during the design phase of the operation; (ii) work in an area in which there is very little experience; and (iii) perform duties that require reliable persons because of the nature of the subject, the handling of sensitive information, and the complexity of relations with the institutions involved. The requested exception will facilitate prompt compliance with the condition precedent for this loan and the immediate startup of execution.

G. Monitoring and evaluation system

- 3.47 The Bank will monitor the program, establishing the necessary supervision and inspection procedures it deems necessary to ensure satisfactory performance. The Ministry of the Interior will allow the Bank, at any time, to inspect the execution of the program, the equipment, the corresponding material, and review the books and documents that the Bank considers it necessary to examine. Staff sent by the Bank for this purpose shall enjoy the fullest cooperation by the respective authorities. In

addition, the Ministry of the Interior will maintain current cross-referenced files of the documentation on contracts and payments made with program resources.

- 3.48 To facilitate monitoring, the Ministry of the Interior will submit semiannual progress reports on the project, and the annual operating plans (AOPs) by 30 November of each year. It will also update the procurement plan semiannually.
- 3.49 Execution of the evaluation activities of the program will be the responsibility of the Department of Information and Studies of the Citizen Security Division, supported by the evaluation coordinator hired by the PEU.
- 3.50 The Department of Information and Studies will implement and maintain a system for monitoring and evaluation of the program to follow up and evaluate the pilot models and other innovative activities implemented during the loan's execution (see paragraph 2.16).
- 3.51 The system will have the following functions: (i) to gather and process periodic data on the physical progress (activities) and financial progress (availability of funds and expenditures made); (ii) to coordinate income with the subprograms and monitor activities programmed and executed; (iii) to maintain pertinent, current information on the execution of activities and the program's resources; (iv) to coordinate the performance of evaluations of the impact, procedure, and results, required by and agreed upon for the program; and (v) to process data collected from the evaluations; and other functions described in the Operating Regulations.
- 3.52 In the framework of the loan the following evaluations will be done:
- 3.53 **Midterm evaluation.** This evaluation will be done 18 months into the program's execution. It will review all aspects of program execution, including the subprograms and components. The results of the review will be used to make any necessary adjustments, and to show the characteristics of the process and the preliminary results of the proposed activities in the loan and pilot interventions. The report will include at a minimum: (i) an evaluation of the degree to which the main objectives and goals of the four subprograms have been met; (ii) the identification of the quantity and quality of results obtained; (iii) an evaluation of the progress achieved in the innovative pilot projects; (iv) an analysis of the possibilities and difficulties encountered in the implementation of the actions accomplished; and (v) an estimation of the early impact stemming from the program's execution, especially those concerning the measurement variables identified in the evaluation matrix and mentioned in paragraph 3.51.
- 3.54 **Final evaluation of the program.** Before the last disbursement in the program the Citizen Security Division must present a final evaluation, which shall cover at least: (i) a comparison of the program's objectives with the results obtained; (ii) identification of the restrictions or constraints that unfavorably impacted the

- program; (iii) analysis of the factors that contributed to the program's success; (iv) a quantitative and qualitative evaluation of the final results; (v) a description of the main lessons learned from the innovative program, which can be considered when preparing a new loan for the sector; and (vi) an analysis of the results of the variables considered in the impact evaluations mentioned in the next paragraph.
- 3.55 Measurement of impact. Impact evaluations will be conducted of the aspects of the loan subprograms and components mentioned below:
- a. Subprogram for Strengthening the Citizen Security Policy. The impact measurement variable will be public perception of the government's citizen security policy. There will be a longitudinal, quantitative and qualitative content analysis (print media). It will be a quasi-experimental design (longitudinal without a control group).
 - b. Subprogram for Safe Municipality/strengthening of local capacities. The variables for measuring impact will be fear, victimization, reports of crimes with major social implications, and violence.
 - c. Subprogram for Safe Municipality/pilot multisectoral projects: the impact measurement variables will be defined during the design of the eight pilot intersectoral projects.
 - d. Subprogram for Safe Neighborhood/at-risk groups. The variables for measuring impact will be victimization and violence. For these variables there will be before and after measurement with a control group, using probability sampling of the target population.
 - e. Carabineros/Community Integration/Community Participation subprogram. The variables for measuring impact will be fear, perception of the quality of police work and confidence in Carabineros de Chile. For these variables there will be before and after measurement with a control group, using probability sampling of the target population.
 - f. Carabineros/Community Integration/police performance subprogram. The variables to measure impact will be fear, victimization, violence, perception of the quality of police work, and confidence in Carabineros de Chile. There will be before and after measurement with a control group, using probability sampling of the target population.
- 3.56 There will be four administration and monitoring missions in the program: two during the first 15 months of execution, and two annual missions. The first two missions will take place before the end of the first year of execution and after the midterm evaluation described in paragraph 3.53.

- 3.57 If as a result of its monitoring of the program the Bank deems that its performance indicators are unsatisfactory, the Bank may cancel the part of the financing that has not been committed or disbursed, as appropriate.

H. Execution Period and Disbursement Schedule

- 3.58 The program's execution period will be thirty-six (36) months according to the schedule in the following table:

TABLE III-1				
Estimate of program costs per year (US\$)				
	Year 1	Year 2	Year 3	Total
IDB	2,500,000	5,000,000	2,500,000	10,000,000
Local	2,533,000	3,685,000	412,000	6,630,000
Total	5,033,000	8,685,000	2,912,000	16,630,000

I. Internal control, financial statements, and audits

- 3.59 The Ministry of the Interior will maintain an adequate system of internal accounting and administrative controls. This system must be organized so as to provide the necessary documentation to verify transactions and facilitate the preparation of financial statements and reports. The program's books must be kept in such a way that they: (i) permit identification of the money received from the Bank and the local counterpart; (ii) reflect, in accordance with the chart of accounts approved by the Bank, the investments with resources from the loan and additional funds that must be contributed for the program's total execution; (iii) include the necessary detail to identify goods purchased and services contracted, and the use of those goods and services; (iv) show the cost of the investments in each category and the progress of the activities; (v) include the breakdown of transfers to public or private organizations for the execution of eligible projects; and (vi) permit the consolidation of accounting and financial information received from the management organizations and business agencies.
- 3.60 During the execution of the program, the Ministry of the Interior will submit audited annual financial statements for the program, within 120 days after the close of the fiscal year. The financial statements will be audited by the Comptroller General of the Republic.

IV. BENEFITS AND RISK

A. Benefits

- 4.1 The Program will leave an installed capability at the national, regional, and municipal levels to design policies and strategies for citizen security, systems for information and citizen participation from a cross-cutting, interagency perspective in an approach to joint responsibility for security. This will facilitate tighter control of crime and empower the community to reduce crime and fear. Implementation of the program will stimulate the development of new mechanisms to encourage community members to participate in the projects executed, thereby strengthening the role of the organized community and its leaders, with more relevant actions and better, more effective solving of citizen security problems.
- 4.2 The program's sustainability is supported by the following factors: (i) according to existing opinion polls, Chileans assign high priority to citizen security and demand more services in general and services at the local level. The central and municipal governments have made public commitments to the citizenry to exert greater efforts for coordination and expansion of the resources in their respective budgets. Evidence of this is the recent establishment of the Interministerial Committee headed by the Minister of the Interior and the expansion of the Safe Municipality Program to other municipalities; and (ii) there is growing awareness among the various political sectors of the need to build a new structure in the area of citizen security, which could be reflected in the medium term by the establishment of a ministry to deal with the subject.

B. Risk

- 4.3 The impact and sustainability of the program's objectives will be subject to the achievement of permanent coordination and linkage of public and private institutions. Specifically, if the program's actions do not achieve the necessary cross-sectoral and comprehensive dimension, there is a serious risk that their impact will be reduced. To mitigate this risk there will be interagency coordination from the highest political level (Interministerial Committee) to the most operational level (neighborhood offices), and the Ministry of the Interior will develop the capability—currently lacking—to perform specific required activities.

C. Performance indicators

- 4.4 The performance indicators are presented in the Logical Framework of the program (Annex III-1), which includes a set of indicators by subprogram, referring to such elements as: (i) a 5% reduction in the crime rates; (ii) a 10% drop in reports filed concerning crimes of major social significance; (iii) existence of a system for monitoring and evaluating the strategy underlying the citizen security policy,

installed and in operation by the sixth month of program execution; (iv) the existence, in half the municipalities in which the Safe Municipality Program will be executed, of citizen security units, trained technical teams and/or budgets for citizen security activities;; (v) a 10% increase in the number of persons who think neighborhood safety has improved; and (vi) improved police performance in six prefectures and 42 precincts in the metropolitan region, among others.

A SAFER CHILE PROGRAM (CH-0178)

NARRATIVE SUMMARY OF OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
Goal Help the cities in Chile become safer, with safer inhabitants in terms of violence and crime.			The State will continue implementing a citizen security policy intended to reduce violence and vulnerability in Chile.
Objective Help reduce violence and the insecurity associated with violence and crime in the municipalities and neighborhoods of the metropolitan, fifth, eighth, and ninth regions of Chile, which are impacted by the presence of drug trafficking and organized crime.	<ol style="list-style-type: none"> Crime rates will be reduced by 5% within 30 months of program startup. The rate of reports filed for crimes of major social significance drops by 10% in the program's service areas within 30 months of startup. Insecurity associated with violence and crime in the program's service areas drops by 10%. 	Surveys of the Ministry of the Interior.	Reforms and other programs targeting the reduction of violence and insecurity continue. The Ministry of the Interior continues to give priority to the topic of citizen security.
Subprogram 1. Strengthening of the Citizen Security Policy			
The Subsecretariat of the Interior has developed capacities at the central and regional levels for the design, implementation, evaluation, and dissemination of the Chilean government's Citizen Security Policy.	<ol style="list-style-type: none"> Within 30 months of program startup, half the residents who have heard about the program in the territories where it has been implemented say they are satisfied with its results. System for monitoring and evaluating the strategy underlying the citizen security policy, installed and in operation by the third month of program execution. 	Organizational chart of the Ministry of the Interior. Periodic reports by the Citizen Security Division. Results of surveys and studies. Performance reports.	The Subsecretariat of the Interior gives priority to citizen security policies and cross-sectoral work with public and private organizations. The key agencies in the sector continue to be committed.

NARRATIVE SUMMARY OF OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
Subprogram			
2. Safe Municipality			
Violence and the insecurity associated with violence and crime have been reduced in 76 Chilean municipalities.	<ol style="list-style-type: none"> 1. Half the municipalities will have citizen security units, trained technical teams and/or budgets for citizen security activities within 30 months of the start of the subprogram. 2. All of the communities involved in the program will carry out plans targeting the reduction of violence and crime within 30 months of subprogram startup. 3. There has been joint execution with other agencies of eight pilot projects to reduce violence and crime within 30 months of program startup. 	<p>PADEM, Pladeco, specific work programs (Previenne, youth, women, etc.).</p> <p>Organizational chart and budget approved by the municipal councils.</p> <p>Progress reports and ex post evaluation.</p>	<p>Mayors give priority to citizen security in their municipalities.</p> <p>Municipal authorities offer their own resources (programs, offices, staff, others).</p>
Subprogram			
3. Safe Neighborhood			
Violence and fear have been reduced in 12 neighborhoods in the metropolitan, fifth, eighth, and ninth regions, where territory is controlled by active groups linked to drug trafficking and organized crime, which threaten the safety and peaceful coexistence of these communities.	<ol style="list-style-type: none"> 1. 15% of persons believe neighborhood safety has improved. 2. 10% of persons say they are less likely to be victims of violence. 	<p>Ex ante and ex post opinion poll.</p> <p>Ex ante and ex post opinion poll.</p>	
Subprogram			
4. Strengthening of Carabineros-Community Integration.			
Objective: Police practices have been developed that strengthen Carabineros-community relations and make it possible to deal jointly and cooperatively with safety problems facing the population	<ol style="list-style-type: none"> 1. Four pilot projects of new practices in four precincts of the metropolitan region in 12 months developed and evaluated in municipalities with a high percentage of at-risk youth and with drug trafficking problems. 2. Showcase of good practices in police-community relations installed and in operation within 30 months of program startup. 	<p>Ex ante and ex post evaluation.</p> <p>Ex ante and ex post evaluation.</p> <p>Management reports.</p> <p>Crime maps.</p>	<p>The model is accepted by high-ranking authorities, middle level officers, and rank and file members of the Carabineros de Chile and by the representative community organizations.</p>

NARRATIVE SUMMARY OF OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
	3. Six prefectures and 42 precincts in the metropolitan region with improved management capacity within 30 months of program startup.	GIS linkup in prefectures and precincts in the Santiago metropolitan region.	

A SAFER CHILE PROGRAM (CH-0178) PROCUREMENT PLAN					
Type of Procurement	Cost	Method	2003	2004	2005
CONSULTING SERVICES					
Training for municipal councils in three areas	366,429	LCB/CB		366,429	
Model Safe Municipality experiences	119,048	LCB	119,048		
Training in project preparation	54,714	CB		54,714	
Seminar for exchange of successful experiences	25,714	S		25,714	
Educational Material 2004 and 2005	267,801	ICB		267,801	
Printed information 2004 and updated 2005	304,251	ICB		304,251	
Community mobilization for neighborhoods 1-9	1,018,392	LCB/CB		1,018,392	
Prevention in at-risk groups in neighborhoods 1-12	898,404	CB	374,335	449,202	74,867
Reintegration of persons in neighborhoods 1-12	413,357	LCB/CB		413,357	
Seminars on good practices, prevention, community policing, and focusing on safety policies	85,714	S/CB		28,571	57,143
Hiring of services for advertising and dissemination	285,357	LCB		285,357	
Study Tour	168,000	CB		168,000	
implementation	34,601	S		34,601	
Pilot Implementation	143,486	LCB		143,486	
Focus group monitoring	157,143	LCB		157,143	
Legal feasibility study	28,571	S			28,571
Attitude survey	128,571	LCB			128,571
Design and execution of the GIS program	41,876	CB		41,876	
Training of GIS personnel	34,290	S		34,290	
	4,575,719		493,383	3,793,184	289,152
GOODS					
Computers, software, license, and printers	102,857	LCB	102,857		
Computers, software, license, and printers	389,376	ICB	389,376		
	492,233		492,233		
WORKS					
Infrastructure and community investment projects, neighborhoods 1-8	1,142,856			571,428	571,428
Construction of Carabineros Training Center	354,471	LCB		354,471	
	1,497,327			925,899	571,428
TOTAL	6,565,279		985,616	4,719,083	860,580

Key: DC: Direct Contracting; ICB: International Competitive Bidding; LCB: Local Competitive Bidding
CB: Competitive Bidding; S: Shopping